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INFO RHMCSUU/FBI WASHINGTON DC 0000
RUEAIIA/CIA WASHINGTON DC
RUCPDOG/USDOC WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RUEPINS/HQ BICE INTEL WASHINGTON DC

UNCLAS STATE 118141

SIPDIS
OTTAWA FOR LORI BALBI

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [CA](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON THE EXPORT OF U.S. DEFENSE ARTICLES CITING THE CANADIAN
EXEMPTION

REF: 2006 BLUE LANTERN GUIDEBOOK

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Embassy's assistance in conducting a post-shipment check on transactions citing the Canadian exemption for the export of thermal imaging systems to Canada. Embassy is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for request: Under ITAR 126.5 (Canadian Exemption), certain United States Munitions List (USML) items may be exported to Canada without a license. Some items on USML Category XII - which includes thermal imaging devices - may require a license depending on commodity specification and type. DDTC requests this check based on the vague description of commodity and end-use in export filing. Also, End-user VIH Aviation Group has appeared on a previous DDTC license but the company's bona fides have not been established by a Blue Lantern check.

¶4. ACTION OTTAWA: Mission Canada is requested to make inquiries with appropriate officials to establish the bona fides of end-user VIH Aviation Group and to obtain all relevant details regarding the export of thermal imaging systems to Canada citing the Canadian exemption, including the exact description, number, type, dollar value, and serial number of items. PM/DTCC also requests that post conducts a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. If a site visit is not possible, please inform the PM/DTCC officer.

The following questions are provided as suggested guidance:

--What were the exact United States Munitions List (USML) articles exported to you? (Automated Export System (AES) filing data provides the following information, "thermal imaging systems".)

--What is the exact end-use for these USML items? Will VIH Aviation Group be the sole end-user and retain positive control over the thermal imaging systems at all times? Will they be transferred to other end-users in Canada or re-exported?

--Does the company have secure facilities and proper accounting and security procedures for handling sensitive

USML items?

--When was the company established and who are its principals?

--What is the nature of the company's business?

--What type of organizations are among its typical customers and where are the customers located?

--Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfer and re-export?

END ACTION.

15. Details of the AES filings:

--EXPORT 1 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - Vague description cited as, "thermal imaging system"

Stated Value: USD 4,204.00

Export Date - 13 August 2007

ITAR Exemption Number - 126.5B

Filer Identification Number - 9360708501

Shipping Reference Number - 78773-3

Export Identification Code - 93070850100

--EXPORT 2 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - Vague description cited as, "thermal imaging system"

Stated Value: USD 5,200.00

Export Date - 25 October 2007

ITAR Exemption Number - 126.5B

Filer Identification Number - 9360708501

Shipping Reference Number - 50011439

Export Identification Code - 93070850100

U.S. EXPORTER:

FLIR Systems, Inc.
25 Esquire Rd.
North Billerica, MA 01862
POC is Mr. Mattera, Tel. 978-901-8553

ULTIMATE CONSIGNEE

VIH Aviation Group
1962 Canso Rd.
North Saanich, B.C.
V8L5V5
Canada
No POC provided, Tel. 866-844-4354

16. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Tim Mazzarelli, Phone: 202-663-3867; Email: MazzarelliTP@state.gov; SIPRNET: MazzarelliTP@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file on Intellipedia:

<http://www.intelink.gov/wiki/>
Blue Lantern End-Use Monitoring Program.

¶7. Department is grateful for post's assistance in this
matter.
CLINTON